

**COUNCIL ON REAL ESTATE CURRICULUM AND EXAMINATIONS  
MINUTES  
1400 E. WASHINGTON AVENUE, MADISON, WI  
July 25, 2002**

**PRESENT:** Janet Byrne, Nancy Gerrard, Sue Hamer, Ron Hanson, Paul Hoffman,  
Lloyd Levin and Larry Sager

**EXCUSED:** None

**STAFF PRESENT:** Clete Hansen, Barbara Showers and Casey Brown

**GUESTS:** David Hague, WTCSB  
Richard Staff, WRA  
Shauna Alt, WRA

**CALL TO ORDER**

The meeting was called to order at 12:40 p.m. by Nancy Gerrard, Chair.

**ADOPTION OF AGENDA**

**MOTION:** Jan Byrne moved, seconded by Sue Hamer, to adopt the agenda, as published. Motion carried unanimously.

**MINUTES (2/28/02)**

**MOTION:** Lloyd Levin moved, seconded by Ron Hanson, to approve the minutes, as published. Motion carried unanimously.

**ADMINISTRATIVE REPORT**

**Council Roster**

The Council received a copy of the May 30, 2002, roster and made the following changes:

- Correct one of Sue Hamer's e-mail addresses. Change "hammer" to "hamer."
- Change Paul Hoffman's address and phone number to his new Waukesha location, as follows: Michael, Best and Friedrich, LPP, Tow Riverwood Drive, Waukesha, WI 53188-1174. Telephone: 262-956-6549. Fax: 262-956-6565.
- Jan Byrne's home phone number should be 608-223-0026.

**To-Do List**

Noted

## **REAL ESTATE BROKER'S EXAM AND PRE-LICENSE EDUCATION**

### **Test Specifications**

#### **Contents of Pre-License Education**

Council members noted the CONTENT OUTLINE FOR REAL ESTATE BROKER EXAMINATION and compared the specifications with s. RL 25.02 (2), which describes the contents of the broker's pre-license program. Clete Hansen submitted a rough draft, showing the content items that should probably be removed and those that could either be removed or retained.

Council members accepted Clete Hansen's recommendations, except as noted below, and responded to his questions, as noted below:

Subsection (2) (a) Contracts – leave all of this in.

Subsection (2) (b) Approved forms – leave all of this in.

Subsection (2) (c) 3. a. to g. – leave all of this in.

Subsection (2) (d) 1. c. – leave in.

Subsection (2) (h) 2. a. to h. – add a specific reference to the ADA.

Subsection (2) (h) 3. a. to h. – leave all of this in. However, remove i.

Subsection (2) (h) 5. a. to c. – leave all of this in.

Subsection (2) (h) 5. e. – leave all of this in: add shore land zoning.

Subsection (2) (i) 2. b. and c. – remove these.

Subsection (2) (i) 5 – have one line for Definition of mortgage banker, mortgage broker and loan originator.

Subsection (2) (i) 6., 8. 9. and 10. – Have one line for each of these. (Check on whether subd. 9. should be “mobile homes” or “manufactured housing.”)

Lloyd Levin said “we see more and more ‘controlled business arrangements (RESPA)’ now days.”

Issue: when can the Department implement the new broker's exam and the broker's pre-license education curriculum? Council members noted that the current course does cover all of the contents on the new content outline for the broker's exam. Council members did not specifically answer this question; however, someone suggested that the Department could send to schools the new content outline for the broker's exam and suggest that schools prioritize the pre-license education contents accordingly.

**MOTION:** Lloyd Levin moved, seconded by Paul Hoffman, to approve the changes to the broker's pre-license education program, discussed by the Council today, and that the Council recommends that the Department move forward with the rule change as necessary. Motion carried unanimously.

Council members acknowledged that the Broker's Reciprocal Exam will no longer be needed.

What about the course for out-of-state brokers? Clete Hansen agreed to review the course contents in the light of the changes discussed today, relating to the broker's pre-license education program.

### **Scope Statement of Proposed Rules**

Noted

### **REAL ESTATE SALESPERSON'S EXAM AND PRE-LICENSE EDUCATION**

The meeting packet contained a memo from Barbara Showers, entitled "Proposed Change in Real Estate Sales Examination." It also contained the proposed SPECIFICATIONS FOR STATE SALESPERSON EXAMINATION, prepared by a committee that reviewed the salesperson's exam. A committee member pointed out that the goal of the committee was to make the exam transaction-based, rather than theory-based.

Barbara Showers said that a job analysis will have to be conducted before the Department can change the sales exam. She said that her office will immediately begin work on the job analysis and will try to get it completed within 4-5 months.

The Council agreed that after the job analysis has been completed Clete Hansen should review the pre-license education program, just as he did for the broker's program.

The Council discussed the impact of changing the exam on reciprocity with other states. Some persons present at the meeting said that they have received information that it would not adversely affect reciprocity. The meeting packet included information that Barbara Showers had received from Larry Outlaw of the North Carolina Real Estate Commission. The packet also included correspondence between Barbara Showers, PSI and others about the national salesperson's exam.

At the meeting Barbara Showers distributed two additional documents: Exam Fees and Statistics (taken from a document of the Association of Real Estate Law Officials) and Pass Rates for Real Estate Sales Examination. She noted that pass rates for the exam in Wisconsin have been down lately, but not over the long haul.

Barbara Showers said that Wisconsin could still have PSI develop the exam for us, just like PSI does for the broker's exam and the Continuing Education Test-out Exam. The proposed exam specifications would result in a 104-question exam.

**MOTION:** Jan Byrne moved, seconded by Ron Hanson, to recommend that the Department start working on the development of an exam along the lines of the recommended specifications and amend the pre-license education program as appropriate. Motion carried unanimously.

Casey Brown said that he would begin work on the job analysis. He said that he will need some licensed salespersons on a committee that will be formed to prepare the questions for the survey that will be sent to a random sampling of licensed salespersons.

## **CONTINUING EDUCATION**

### **Commercial Brokers**

Rick Staff had submitted information that the Council had requested concerning various commercial brokerage designations.

Don Michelson, a commercial broker in Madison, and Chris Ruditys, Executive Vice President of the Commercial Association of Realtors Wisconsin, addressed the Council, requesting that certain commercial brokerage courses be approved for continuing education in lieu of some of the four three-hour courses. Mr. Michelson stated his belief that Courses 1 and 3 in the 2001-2002 program should be covered by all licensees. However, he requested that commercial courses of 2 to 3 days be acceptable for Course 2 and Course 4, provided that they have an exam for successful completion.

Chris Ruditys requested that courses taken for maintaining a designation from CCIM, SIOR and IREM (i. e. courses having an exam) be acceptable for satisfaction of continuing education requirements.

**MOTION:** Jan Byrne moved, seconded by Lloyd Levin, to recommend to the Real Estate Board and the Secretary of DRL that during the 2003-2004 licensing biennium commercial brokers be required to only take the New Developments Course and that they be permitted to substitute for the other three courses a total of nine hours of commercial courses, provided that they pass an exam at the end of the course(s). Such commercial courses may include conferences, provided there is an exam. Such commercial brokerage courses must also consist of no less than the number of hours in the general courses for which the commercial brokerage courses are substituting. Motion carried unanimously.

### **Continuing Education Policies and Procedures**

Barbara Showers explained documents relating to the growth of continuing education since 1977, the components of continuing education programs, a comparison of continuing education programs, the authority that boards have to establish continuing education requirements versus the resources of the Department, and initiatives being considered by the Department.

**MOTION:** Lloyd Levin moved, seconded by Larry Sager, that the Department should obtain funding for conducting a reasonable random sampling of compliance by real estate licensees on a biennial basis. Motion carried unanimously.

### **CE Courses for 2003-2004**

The Council noted an e-mail message received from Lloyd Levin, suggesting that Courses 1 and 2 next year should be related to state-mandated forms. Several Council members also sent e-mail messages, expressing support for the suggestion.

**MOTION:** Larry Sager moved, seconded by Jan Byrne, that the Council accepts the recommendations of Rick Staff for the 4 courses that would be required in 2003-2004. Motion carried. Six members voted yes and one member voted no.

Sue Hamer and Rick Staff volunteered to be on the Test-out Exam Subcommittee.

Rick Staff will send copies of the courses to Clete Hansen in electronic format. Clete Hansen will send the course materials to approved schools as soon as possible in paper or electronic format.

### **MISCELLANEOUS CORRESPONDENCE/INFORMATION**

None

### **NEW BUSINESS**

Jan Byrne said she would like to discuss the whole issue of commercial brokerage at a future meeting of the Council. She would like to explore having a special commercial broker's license.

Lloyd Levin also recommended that the next agenda include a discussion of the need to audit education delivery people, to see what they are doing.

### **NEXT MEETING**

No meeting was scheduled. Council members suggested that a meeting should not be scheduled within the next 90 days. Council members suggested that the next meeting could be scheduled for November 2002.

### **ADJOURNMENT**

**MOTION:** Jan Byrne moved, seconded by Ron Hanson, to adjourn the meeting. Motion carried unanimously.